

1964

very high temperatures which will be generated when this spacecraft with three men inside plunges back into the earth's atmosphere at 25,000 miles per hour. This kind of heavy heat shield, a necessary capability to return to the earth from a space age voyage is, in some ways, the kind of new technical advance which enabled the oceanic age caravel to sail around the Cape of Good Hope and return to home port.

Some would say that the Saturn-Apollo combination is a result of 500 years of evolution since the caravel of Henry the Navigator. It is the largest and most complex machine ever put under construction by the human race. It has the same potentiality for opening up vast vistas in man's understanding and utilization of the great oceans of space as did the caravel, with respect to the oceans of the earth—a potentiality that when realized so excited and expanded the mind of man 500 years ago.

In this new age, the space age, the world, and particularly the talented young people of the world, are fortunate that President Johnson believes in the Saturn and Apollo as Henry the Navigator believed in the caravel.

The late President Kennedy also believed in it. He had a great capacity to marry the present with the future and to see the opportunities which must be seized by this generation. Of space exploration he had this to say:

"Those who came before us made certain that this country rode the first waves of the industrial revolution, the first waves of modern invention, and the first wave of nuclear power, and this generation does not intend to founder in the backwash of the coming age of space.

"We mean to be a part of it. We mean to lead it, for the eyes of the world now look into space, to the moon and to the planets beyond, and we have vowed that we shall not see it governed by a hostile flag of conquest, but by a banner of freedom and peace."

Later, during the trip on which he met his death, President Kennedy told an audience at Brooks Air Force Base the story written by Frank O'Connor, an Irish writer, about his youth.

"As a boy," President Kennedy related, "O'Connor and his friends would make their way across the countryside, and when they came to an orchard wall that seemed too high and too doubtful to try and too difficult to permit their voyage to continue, they took off their hats and tossed them over the wall—and then they had no choice but to follow."

"This Nation has tossed its cap over the wall of space, and we have no choice but to follow it . . . with the help of all those who labor in the space endeavor, with the help and support of all Americans, we will climb this wall with safety and speed, and we shall then explore the wonders on the other side."

### EDITORIALS SUPPORT SELDEN POSITION

(Mr. SELDEN asked and was given permission to extend his remarks at this point in the RECORD, and to include extraneous matter.)

Mr. SELDEN. Mr. Speaker, on Thursday, March 26, 1964, I spoke on the floor of the House of Representatives in opposition to proposals that we should negotiate with communism in the hemisphere.

The following editorials which appeared in three of Alabama's leading newspapers indicate the reaction to my statement by the press of Alabama.

[From the Montgomery (Ala.) Advertiser, Apr. 1, 1964]

#### SELDEN AGAINST FULBRIGHT

The Old Myths and New Realities, speech of Senator J. WILLIAM FULBRIGHT of Arkansas, no matter how visionary it may seem, has to be taken seriously.

FULBRIGHT, as chairman of the Senate Foreign Relations Committee, is one of the most potent figures in the U.S. Government. He might be a future Secretary of State. And finally, until there is a disavowal there will be a question whether FULBRIGHT's speech was a trial balloon for the Johnson administration.

It has been our durable impression that FULBRIGHT is more a scholar than a thinker. He nevertheless deserve to have his argument for a more amiable attitude toward Castro and some Communist countries dealt with. And this Congressman ARMISTEAD SELDEN, of Greensboro, who is chairman of the House Subcommittee on Inter-American Affairs, has done forcefully with particular respect to Cuba and the Panama Canal.

"Is the threat," asked Congressman SELDEN in a recent House speech, "of Castro Cuba to our national security and to the hemisphere indeed a myth? The missile crisis of October 1962 is history, not mythology—a mere distasteful nuisance."

If America had not been willing to march in and extract the missiles, they would be there today ready for a launch. The decision to retract the missiles were made, not by Castro, but the Russians. SELDEN hits it thus:

"What is meant when we are told to accept the 'reality' of the Castro regime? Shorn of its linguistic refinement, this means simply that we should begin negotiating with communism in this hemisphere. A tortured line of reasoning seems to hold that because we are a great nation we ought to be able to tolerate a small menace. But the menace is not Castro—it is Moscow."

"If we come to accept the 'reality' of Soviet influence in Cuba, we inevitably will end by accepting it throughout the Americas."

It seems to us that SELDEN is unassailable in this generality:

"I submit that a great nation committed to stand firm against communism in Berlin, in Vietnam, and in other distant areas, should have a policy in its own hemisphere consistent with these worldwide goals."

"We have told the Communists that we intend to risk war if necessary in defense of free world interests at the Brandenburg Gate and in the Mekong Delta. Surely if we mean to hold a line against communism abroad, we must pursue a similar policy of firmness and action in our own neighborhood."

As for Panama, SELDEN asks what others have asked—why should a small nation not be expected to honor its commitments just as much as a large one? And finally SELDEN asked the House why, in Panama, America would allow a mob to do what it would not permit an army to do.

Castro is the reality of the moment, but that does not mean he must be accepted and thus upheld. If he is strong enough to endure as a reality, he must be accounted all the more a danger.

[From the Mobile (Ala.) Press, Apr. 1, 1964]

#### SOME OTHERS NOW DISAGREEING WITH SENATOR FULBRIGHT'S SPEECH

Thank heavens some strong voices are being raised today against the formula for retreat presented recently by Senator WILLIAM FULBRIGHT, chairman of the Senate Foreign Relations Committee.

Among these voices are the weekly news magazine, U.S. News & World Report, and Alabama's Representative ARMISTEAD I. SELDEN, JR.

As will be recalled, Senator FULBRIGHT

clearly called upon the United States to change hemisphere policies toward Communist Cuba and Panama. It was a shocking speech, one that makes no sense whatever to loyal, patriotic Americans.

Said SELDEN in a speech in the House:

"A tortured line of reasoning seems to hold that because we are a great nation we ought to be able to tolerate a small menace, but the menace is not Castro—it is Moscow. If we come to accept 'the reality' of Soviet influence in Cuba, we inevitably will end by accepting it throughout the Americas."

"We cannot do business with Castro, and it is truly a myth to believe otherwise. We have told the Communists that we intend to risk war if necessary in defense of free world interests at Brandenburg Gate and in the Mekong Delta. Surely, if we mean to hold a line against communism abroad, we must pursue a similar policy of firmness and action in our own neighborhood."

On the Panamanian issue, Representative SELDEN told the House he disagreed again with the Fulbright suggestion to renegotiate the canal treaty.

"The record of the United States in Panama has been wrongly blackened by those who would sow the seeds of hatred and contempt for our country in Latin America. Yet, this historic record, rather than a stain, is in truth, a credit to our national history."

Mr. SELDEN made a highly important point, we think, when he said:

"The American people have been ahead of their leaders in correctly assessing the dangers of Castro communism to the hemisphere. As a matter of fact, it might be said, to paraphrase Clemenceau, that the security of our hemisphere might be too important a matter to be left in the hands of our foreign relations experts. A good case can be made for trusting the sound instincts of an American public that was right rather than the sonorous erudition of foreign relations authorities who have been so often wrong."

U.S. News & World Report strongly attacked the "peace at any price" philosophy expressed recently in speeches by President Johnson and Senator FULBRIGHT. Then it added: "Spokesmen of American policy must be careful of what they say lest potential adversaries misinterpret our eagerness for peace and force the test which could bring on a war that nobody wants"

If the people are ahead of their leaders in their assessment of hemispheric dangers—and we believe they are—they can make their influence felt in the upcoming elections. This is their only chance to get national leaders back on the right track.

[From the Birmingham (Ala.) News, Apr. 2, 1964]

#### REPRESENTATIVE SELDEN ON SENATOR FULBRIGHT

Another Alabama voice has been heard in the developing foreign policy debate stimulated by the speech last week of Senate Foreign Relations Committee Chairman WILLIAM FULBRIGHT.

Representative ARMISTEAD SELDEN, one of the most respected congressional authorities on Latin American affairs, took to the floor of the House to take vigorous issue with FULBRIGHT's views on Cuba and Panama.

He criticized dismissal of Castro as a nuisance, and advocated as firm a U.S. position in our own hemisphere as in Berlin or South Vietnam. He also hit critics of our position in Panama, repeating again the emphasis of an earlier widely noted speech dealing with that crisis—that we are in the Canal Zone by legal and moral right and that Panama has an obligation to respect international agreement. There can be no question but that an overwhelming majority of Americans stand solidly behind Representative SELDEN in both issues.

It is also a fact that the administration, which recognizes the realities of public opinion as well as of policy, itself took specific exception to the FULBRIGHT arguments on Cuba and Panama.

But the speech of Representative SELDEN is provocative beyond those two points. The Greensboro native, one of Congress' best examples of thoughtful conservatism, goes on to treat with the overall wisdom of the sort of public debate on foreign policy we currently find ourselves in the midst of.

SELDEN recognizes importance of debate. But he said that "responsible foreign policy spokesmen publicly identified with the administration have a special duty to consider the impact which both the content and the timing of their remarks might have on our foreign relations." He took a clear poke at FULBRIGHT when he added that "nebulous discourse about foreign policy myths and realities . . . offers no useful guideposts for this country's continuing search for answers to problems." Specifically in Latin America.

His point is sound when he speaks of an inherent obligation on the part of recognized spokesmen for an administration to weigh their remarks much more carefully than Joe Doaks need do. Despite FULBRIGHT's insistence that he was speaking only for himself, despite White House assurance that his speech was not a "trial balloon" for the administration, an impression was conveyed—and still lingers in many minds—that that is exactly what it was.

But however "nebulous" FULBRIGHT's comments on issues—and they were nebulous indeed in some instances—whether or not "useful guideposts" come from the speech itself. Representative SELDEN would probably agree that out of consequent debate some guideposts may emerge. If they do, we would not be surprised if Representative SELDEN and Senator FULBRIGHT, keenly intelligent men, both helped bring them into focus.

#### BILL TO BRING ALFRED I. DU PONT ESTATE UNDER BANK HOLDING COMPANY ACT

The SPEAKER pro tempore. Under previous order of the House the gentleman from Texas [Mr. PATMAN] is recognized for 1 hour.

Mr. PATMAN. Mr. Speaker, I am today introducing a bill—H.R. 10668—to amend the Bank Holding Company Act so as to bring the Alfred I. du Pont estate of Jacksonville, Fla., under that act and see that it stays there.

I consider this an important measure, Mr. Speaker. It deserves the support of the Congress. This Du Pont estate is one of the most extreme combinations of banking and nonbanking economic power that I have ever come upon.

For some time now, Subcommittee No. 1 of the House Small Business Committee, under my chairmanship, has been looking into the Du Pont estate and its affiliate, the Nemours Foundation, in connection with the subcommittee's study of over 500 tax exempt foundations and charitable trusts and their impact on our economy. The gentleman from Tennessee, the Honorable Joz Evins, is chairman of the House Small Business Committee. An analysis of the Du Pont estate and the Nemours Foundation was submitted by me to the subcommittee on March 20, 1964.

My report to the House Small Business Subcommittee lays bare the anatomy of this self-perpetuating Alfred I.

du Pont empire in more detail than ever before known. It is an extraordinary empire, Mr. Speaker, composed of banks, industries, railroads, land and stockholdings.

I am concerned with the banking aspects of this Du Pont estate situation. We have here a combine that functions as a major banking holding company—yet it was not brought under the Bank Holding Company Act.

In the Bank Holding Company Act we told the other bank holding companies: You must choose; you cannot own both banks and nonbanking enterprises; we are afraid of abuses; you must divest yourselves of one or the other sources of power. But we exempted the Du Pont estate. We left them out of the act. We did not split up their great power, with its potentials for abuse.

My bill would put this Du Pont group under the Bank Holding Company Act. It would end their special treatment. We would treat them like the others. That is what my amendment aims to do.

Mr. Speaker, the banking holding company bill was brought to the floor in 1955 by our beloved colleague, Mr. Spence, then chairman of the Banking and Currency Committee. It was a fine bill. The law that resulted in 1956 is a fine and important law. I myself had the honor to urge its passage in the floor debate. The House approved the bill by 371 to 24.

This law aims to prevent abuses of power by bank holding companies. It provides, first, that bank holding companies must divest themselves of control over all nonbanking enterprises; second, that bank holding companies must register with the Federal Reserve Board; and third, that they may not acquire more banks without the Board's approval, based on certain standards set down in the act.

The reasons for making bank holding companies get out of nonbanking business were well explained in our committee's report at the time, and by the gentleman from Kentucky, Mr. Spence, the gentleman from Virginia [Mr. SMITH], and others during the floor debate. As the gentleman from Virginia, Judge SMITH, said, out of his long practical experience:

I think it has been pretty generally recognized that there are potentials of evil in any situation that permits banks to engage in business other than banking business.

In fact, both National and State banks have long been prohibited from investing in the stock of any corporation, with some few exceptions.

Mr. Speaker, Congress wrote some exemptions into the Bank Holding Company Act. We exempted the Du Pont estate. Yet the very core of the power exerted by the Du Pont estate lies in the 31 banks it controls.

This is the Florida National group of banks, Mr. Speaker. It is a great combine of 31 banks, the biggest in Florida, with assets exceeding \$700 million. Some years ago, this group advertised itself as "the largest banking organization south of Philadelphia and east of the Mississippi."

There you have a very large bank holding company, Mr. Speaker, but we ex-

empted them from the act. Unlike the other bank holding companies, we let these people keep all their outside enterprises. Let us take a look at those outside enterprises.

Apart from its banks, the Du Pont estate also owns 75 percent of the stock of St. Joe Paper Co., a major manufacturer of kraft pulp and paper. St. Joe Paper Co., in turn, owns a large paper mill in western Florida. It owns substantial box plants at Port St. Joe, Fla.; South Hackensack, N.J.; Houston, Tex.; Rochester, N.Y.; Pittsburgh, Pa.; Hartford City, Ind.; Birmingham, Ala.; Cincinnati, Ohio; Baltimore, Md.; Memphis, Tenn.; Portsmouth, Va., and Chicago, Ill. It owns half interest in a factory at Chicopee, Mass., and operates a plant at Dallas, Tex., as a joint venture with Hunt Oil Co. It operates a paper mill and box plant in Ireland. There in itself you have a large industrial empire.

But that is not all, Mr. Speaker. St. Joe Paper Co. also owns over a million acres of land in northwest Florida and southwest Georgia. In distance, its Florida lands run 170 miles from east to west and 40 miles from north to south. Consider the power represented by that great empire of land alone.

But that is not yet all, Mr. Speaker. St. Joe Paper Co. also owns a small railroad, the Appalachicola Northern. It owns a small telephone company, the St. Joseph Telephone & Telegraph Co. It owns a majority of the bonds and stock of a major railroad, the Florida East Coast.

But this is still not all, Mr. Speaker. The Du Pont estate also owned 764,280 shares of stock in the well-known Du Pont Co., of Delaware, worth over \$198 million on March 31, 1964. It owned 444,618 shares of stock in General Motors, worth over \$35 million on March 31, 1964.

An article by the business editor of the Miami Herald, Mr. James Russell, published on the front page of that paper on February 23, 1964, gives further information. It begins as follows:

You can hardly drive 50 miles in Florida—in any direction—without encountering some facet of the Du Pont estate.

The estate embraces a complex of banks, real estate, railroads, timber, and paper production facilities with a value of well over a billion dollars.

Over a billion dollars, Mr. Speaker.

The Miami Herald's article continues:

The Du Pont estate's significance in Florida cannot be accurately measured in dollars. As any State official can tell you, it is Florida's most powerful economic-political force influential enough to achieve or block all sorts of State public works projects.

I turn now to the policies followed by the Du Pont estate banking group, the 31-bank Florida National group. Mr. Speaker, one of the basic features of our American economic system has been the sturdy and helpful presence of thousands of homeowned independent banks. Such banks are vital to a competitive and progressive economy.

A major aim of the Bank Holding Company Act was to foster and protect this system of independent unit banks. I quote from the report of our committee on the bank holding company bill: